



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION II
290 BROADWAY
NEW YORK, NEW YORK 10007-1866

June 6, 2012

BY EMAIL ONLY

William H. Hyatt, Jr., Esq.
K & L Gates LLP
One Newark Center, Tenth Floor
Newark, NJ 07102-5285

Re: Diamond Alkali, Lower Passaic River Study Area – River Mile 10.9
Administrative Settlement Agreement and Order on Consent for Removal Action
USEPA Region 2 CERCLA Docket No. 02-2012-2015

Dear Mr. Hyatt:

Enclosed please find the revised proposed Administrative Settlement Agreement and Order on Consent for Removal Action ("Removal AOC") and Statement of Work ("SOW").

The US Environmental Agency ("EPA") appreciates the work undertaken by Latham & Watkins to provide EPA with the changes to the AOC necessary to reflect the changed membership of the Cooperating Parties Group ("CPG"), which we have made. Consistent with my letter to you dated May 31, 2012, we have also revised the schedule in the AOC and SOW for the first deliverables. We may yet need to revise the caption, since we are still waiting for information about changes to the names of several of the settling parties.

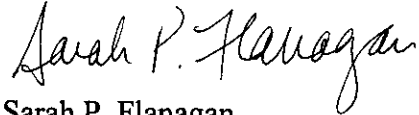
As for the other proposed changes forwarded by Latham & Watkins, we concluded that the changes to the EPA Findings of Fact would not add to the completeness or accuracy of the factual background, and in some instances would detract from it. While we understand that the CPG may wish to present a different perspective on River Mile 10.9 than that which is set forth in the EPA Findings of Fact, this document is not the place to do so.

We were surprised by the substantive changes proposed to the AOC and SOW, which is inconsistent with the CPG's previous representations that the group had voted in favor of entering the AOC. Further, the proposed changes would not add to the efficient and timely implementation of the removal work. As with the changes to the EPA Findings of Fact, we decline to make them.

At this point the CPG should focus on collecting signature pages and planning the removal action. On that note, we are looking forward to receiving signature pages and working with the CPG to implement the AOC.

Please do not hesitate to call if you have any questions.

Sincerely yours,

A handwritten signature in black ink, reading "Sarah P. Flanagan". The signature is written in a cursive, flowing style.

Sarah P. Flanagan
Assistant Regional Counsel

Enclosures

cc: Gary Gengel, Esq.
Brian Donohue, USDOJ